value, thus increasing U.S. price. The petitioner suggests that we reject respondent's return credits claim entirely or make a downward adjustment to all U.S. return credits equal to the excess amount reported for certain observations.

The respondent claims that the record does not support taking the action requested by the petitioner with respect to its return credits. Respondent describes its return credit reporting methodology in its brief and notes that its methodology would increase its dumping margin. The respondent states that the Department should not disregard or adjust return credit volumes and then not adjust return credit values or vice versa. Moreover, the respondent claims that there is no reason to make any changes to its return credits based on the minor discrepancies noted in the verification report.

DOC Position

We agree with the petitioner that respondent's return credits did not verify as reported. We have made a downward adjustment to the sales on which return credits were reported. This adjustment equals the overall average error as a percentage of gross unit price for the months which we have information.

Comment 110

The petitioner claims that respondent's credit days should not be adjusted to account for outstanding return credit claims. The petitioner states that verification is not the appropriate time for submitting a new and substantially revised claim.

Respondent states that it revised its calculation of days outstanding in its imputed credit calculation to account for return credits and revised certain payment and balance figures. The respondent states that ignoring return credits leads to an ever increasing balance for receivables, a growing portion of which simply are not receivables. The respondent claims that the Department should use the days outstanding as revised and verified.

DOC Position

We agree with the respondent. At verification, respondent presented revised U.S. credit days outstanding to account for outstanding return credit claims. This constituted a minor change to the data they reported. Consistent with our treatment of minor changes noted at verification, we have used respondent's revised U.S. credit days.

Comment 111

The petitioner notes that respondent did not claim to have paid commissions on its ESP sales to its related U.S. importer. However, the related importer's grower's reports indicate that commissions were paid. Thus, the petitioner states that these commissions should be deducted from ESP.

The respondent states that no commission was reported because the two companies were related during the period in which the sales took place and, thus, the commissions should not be deducted on the ESP sales.

DOC Position

Although respondent indeed pays its related U.S. importer an arm's length commission, we have ignored this commission for the reasons stated in General Issue Comment 7.

Comment 112

Respondent claims that we should accept the minor revisions, corrections and clarifications presented prior to verification and discovered during verification. Specifically, respondent states that the Department should accept a correction to the calculation of foreign inland freight that was verified. Also, respondent states that none of the discrepancies noted at verification had a significant impact on the margin calculations.

DOC Position

We agree with the respondent that the discrepancies noted at verification were minor in nature and we have, thus, used respondent's verified data.

Rosex Group

Comment 113

The petitioner maintains that, according to the sales verification report, the respondent did not deduct return credits for one customer in the month of February in its sales listing. Therefore, the petitioner argues that, as BIA, the Department should make a deduction from all of the respondent's U.S. prices equal to the percentage of the unreported return credits to revenue for February.

The respondent argues that the error which affected one return credit for one customer for one month of the POI was insignificant. The respondent contends that small errors are inevitable when such a large amount of information is required. The respondent contends that the petitioner's claim that the entire sales listing is unreliable or its suggestion that, if the sales listing is accepted, every U.S. sales price should be reduced by the percentage of the error, is unsupportable.

DOC Position

We disagree with the petitioner that, due to an error in month of the POI for one customer, we should reject the respondent's entire response and base its final margin on BIA. At verification we found that this discrepancy was limited to one customer and no discrepancies were found for other customers. However, because the respondent did not report any quality credits for this customer, we have based the return credits for this customer on BIA. We reduced the respondent's U.S. gross unit price in each month of the POI by the percentage of returned credits to sales during the month examined at verification.

Comment 114

The petitioner contends that respondent failed to allocate foreign inland freight costs to stems sold because it included "stems dumped" in its formula for allocating freight costs. Therefore, the petitioner maintains that the freight costs per box decreased when the respondent sold fewer boxes than it shipped in a given month. The petitioner argues that, as the Department found in its verification report, the respondent should have increased its cost per box shipped in order to allocate its total foreign inland freight to roses sold. The petitioner further argues that the Department should, as BIA, apply foreign inland freight charges equal to the highest calculated charge according to the respondent's methodology, or to the amount calculated on shipments in which the total number of stems shipped equalled the number of stems sold.

The respondent argues that it reported all of its foreign inland freight expenses during the POI. Therefore, the respondent contends, it did not underreport or overreport its foreign inland freight in any way. The respondent maintains that its allocation methodology is more accurate than directly allocating monthly costs to monthly sales. The respondent contends that its methodology correlates freight expenses with sales that were not made in the same month that the expenses were incurred. The respondent states that this methodology prevents the distortional effects of unadjusted monthly per unit foreign inland freight costs. The respondent maintains that the Department should not penalize it for reporting its foreign inland freight in the most accurate manner possible and should accept its methodology. The respondent argues, alternatively, that